

## MILITARY AFFAIRS

Budget Summary							
Fund	2002-03 Base Year Doubled	2003-05 Governor	2003-05 Jt. Finance	2003-05 Legislature	2003-05 Act 33	Act 33 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$36,149,400	\$39,098,900	\$38,773,900	\$38,773,900	\$38,773,900	\$2,624,500	7.3%
FED	62,420,800	64,086,700	64,053,900	64,053,900	64,053,900	1,633,100	2.6
PR	9,961,600	10,175,600	10,193,600	10,193,600	10,193,600	232,000	2.3
SEG	<u>952,400</u>	<u>952,400</u>	<u>949,600</u>	<u>949,600</u>	<u>949,600</u>	<u>- 2,800</u>	- 0.3
TOTAL	\$109,484,200	\$114,313,600	\$113,971,000	\$113,971,000	\$113,971,000	\$4,486,800	4.1%

FTE Position Summary						
Fund	2002-03 Base	2004-05 Governor	2004-05 Jt. Finance	2004-05 Legislature	2004-05 Act 33	Act 33 Change Over 2002-03 Base
GPR	103.35	99.85	100.35	100.35	100.35	- 3.00
FED	233.36	230.86	230.86	230.86	230.86	- 2.50
PR	<u>46.20</u>	<u>45.45</u>	<u>45.95</u>	<u>45.95</u>	<u>45.95</u>	<u>- 0.25</u>
TOTAL	382.91	376.16	377.16	377.16	377.16	- 5.75

### Budget Change Items

#### 1. STANDARD BUDGET ADJUSTMENTS

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR-REV	\$0		\$5,600		\$5,600	
GPR	- \$16,400	0.00	- \$26,200	0.00	- \$42,600	0.00
FED	1,665,900	- 2.50	- 32,800	0.00	1,633,100	- 2.50
PR	<u>37,600</u>	<u>- 0.25</u>	<u>- 5,600</u>	<u>0.00</u>	<u>32,000</u>	<u>- 0.25</u>
Total	\$1,687,100	- 2.75	- \$64,600	0.00	\$1,622,500	- 2.75

**Governor:** Provide standard adjustments to the base budget totaling -\$8,200 GPR, \$856,400 FED, and \$18,800 PR and -1.5 FED and -0.25 PR positions in 2003-04 and -\$8,200 GPR, \$809,500 FED, and \$18,800 PR and -2.5 FED and -0.25 PR positions in 2004-05. Adjustments are for: (a) turnover reduction (-\$90,500 GPR and -\$164,400 FED annually); (b) removal of noncontinuing elements from the base (-\$94,800 GPR, -\$51,300 FED, and -\$93,400 PR and -1.5

FED and -0.25 PR positions in 2003-04 and -\$94,800 GPR, -\$98,200 FED, and -\$93,400 PR and -2.5 FED and -0.25 PR positions in 2004-05); (c) full funding of continuing salaries and fringe benefits (\$126,700 GPR, \$650,600 FED and \$53,900 PR annually); (d) reclassifications (\$2,800 FED annually); (e) overtime (\$35,900 GPR, \$318,900 FED and \$42,800 PR annually); (f) night and weekend differential (\$1,400 GPR, \$83,400 FED and \$12,700 PR annually); and (g) fifth week of vacation as cash (\$13,100 GPR, \$16,400 FED, and \$2,800 PR annually).

**Joint Finance/Legislature:** Delete funding for fifth week of vacation as cash (\$13,100 GPR, \$16,400 FED, and \$2,800 PR annually). Require the agency to lapse to the general fund \$2,800 annually from those PR accounts which these fifth week of vacation as cash payments had been budgeted. Estimate GPR-REV of \$2,800 annually.

[Act 33 Section: 9160(3f)]

## 2. NATIONAL GUARD TUITION GRANT PROGRAM [LFB Paper 505]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$3,009,500	- \$236,600	\$2,772,900

**Governor:** Make the following program eligibility and funding modifications to the agency's National Guard Tuition Grant program:

*Program Eligibility Limitations.* Restrict the use of tuition reimbursement grants to courses of study only at in-state eligible schools or at those out-of-state public institutions of higher education that are subject to either the Minnesota-Wisconsin student reciprocity agreement under s. 39.49 of the statutes or reciprocity agreements under s. 39.42 of the statutes (affecting students at community and technical colleges in Michigan, Illinois and Iowa). Under current law, eligible schools for purposes of the tuition grant program include institutions in the University of Wisconsin System, the Wisconsin Technical College System and any accredited institution of higher education in the United States.

Limit the maximum amount of tuition reimbursement to the lesser of either 100% of the actual tuition charged or 100% of the average of the resident undergraduate tuition rates charged by all campuses in the University of Wisconsin System for a comparable academic load. Under current law, the reimbursement rate is the lesser of either 100% of the actual tuition charged or 100% of the maximum resident undergraduate tuition charged by the University of Wisconsin-Madison campus for a comparable academic load.

The proposal contains no initial applicability provision for currently enrolled students who might be affected by the program changes. Consequently, these changes would apply to all individuals enrolled in the program on the general effective date of the bill.

*Program Funding.* Provide \$1,096,700 in 2003-04 and \$1,912,800 in 2004-05 for anticipated cost increases under the program, based on the combined impact of a 17% annual increase

projected by DOA in tuition rates and the program modifications described above. Some 3,762 grants were awarded in 2001-02 at a total cost of \$4,206,100. This program is funded under a biennial appropriation. Base level funding in the appropriation is \$3,724,500 annually.

**Joint Finance/Legislature:** Delete \$59,100 in 2003-04 and \$177,500 in 2004-05 to reflect the combined impact of: (a) decreased program costs based on current enrollment levels; and (b) increased costs for retaining tuition grant program eligibility for students at out-of-state accredited institutions of higher education provided the student enlisted in the Wisconsin National Guard prior to the effective date of the bill. Stipulate that the new limitations on out-of-state school reimbursements would first apply to tuition grants made to persons who enlist in the Wisconsin National Guard after the effective date of the bill. Specify that "average tuition" would mean the arithmetic average of the resident undergraduate tuition rates charged by the four-year UW-System institutions.

[Act 33 Sections: 741 thru 744 and 9337(1x)]

### 3. DEBT SERVICE REESTIMATE [LFB Paper 195]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$764,600	- \$85,800	\$678,800

**Governor:** Reestimate debt service costs related to National Guard facilities operated by the Department by \$359,800 in 2003-04 and \$404,800 in 2004-05.

**Joint Finance/Legislature:** Reestimate debt service costs related to National Guard facilities by -\$59,100 in 2003-04 and -\$26,700 in 2004-05.

### 4. BASE BUDGET REDUCTIONS

Funding Positions		
GPR	- \$376,400	- 3.00

**Governor/Legislature:** Reduce the agency's general program operations appropriations and repair and maintenance appropriation by \$189,900 in 2003-04 and \$186,500 in 2004-05 and 3.0 positions annually. The base budget reductions would be applied as follows: (a) -\$87,000 annually from the agency's administrative general program operations appropriation for salary and fringe benefits (-\$67,000 and -2.0 positions annually) and supplies and services (-\$20,000 annually), representing a base budget reduction of 1.8%; (b) -\$54,200 annually from the emergency management general program operations appropriation for salary and fringe benefits, representing a base budget reduction of 7.9%; and (c) -\$48,700 in 2003-04 and -\$45,300 in 2004-05 from the repair and maintenance appropriation for supplies and services, representing a base budget reduction of 7.5% in 2003-04 and 7.0% in 2004-05.

## 5. FUEL AND UTILITY COST DECREASES

GPR	- \$208,200
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**Governor/Legislature:** Delete \$108,300 in 2003-04 and \$99,900 in 2004-05 for energy costs at agency facilities. Base level funding for agency energy costs is \$1,639,500 annually.

## 6. HELICOPTER SUPPORT SERVICES GRANT REPEAL

GPR	- \$200,000
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**Governor/Legislature:** Repeal the helicopter support services grant program and associated appropriation and delete base level funding of \$100,000 annually. Under this program the Governor may enter into a contract with the Milwaukee County sheriff for helicopter support services for boating safety, disaster assistance, law enforcement assistance, search and rescue operations, and traffic control. The adjutant general may provide grant funds to the Milwaukee County sheriff for the provision of these services. This grant was not awarded during the 2002-03 fiscal year, and these funds were reallocated to another purpose by the Joint Committee on Finance at its December 17, 2002, meeting under s. 13.10.

[Act 33 Sections: 562, 2111, and 2112]

## 7. CONSOLIDATION OF STATE AGENCY ATTORNEYS UNDER DOA [LFB Paper 105]

	<b>Governor (Chg. to Base)</b>		<b>Jt. Finance/Leg. (Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
GPR	-\$23,600	- 0.50	\$23,600	0.50	\$0	0.00
PR	<u>- 23,600</u>	<u>- 0.50</u>	<u>23,600</u>	<u>0.50</u>	<u>0</u>	<u>0.00</u>
Total	-\$47,200	- 1.00	\$47,200	1.00	\$0	0.00

**Governor:** Delete \$10,100 GPR and \$10,100 PR in 2003-04 and \$13,500 GPR and \$13,500 PR in 2004-05 and 0.50 GPR and 0.50 PR position annually to reflect the consolidation of executive branch attorneys under DOA, effective the later of October 1, 2003, or the first day of the third month beginning after the bill is enacted. Reallocate \$30,300 GPR and \$30,300 PR in 2003-04 and \$40,400 GPR and \$40,400 PR in 2004-05 of base level salary and fringe benefits funding that currently supports 0.50 GPR and 0.50 PR position annually to the agency's supplies and services budget to pay for legal services supplied by DOA.

**Joint Finance:** Delete provision. Direct the Secretary of DOA to delete 31.0 FTE executive branch agency attorney positions, other than attorney positions at the University of Wisconsin System, that are vacant on January 2, 2004, and lapse the associated budgeted non-FED salary and fringe benefits amounts to the general fund in 2003-04 and 2004-05. If fewer than 31.0 FTE agency attorney positions are vacant on January 2, 2004, authorize the Secretary of DOA to delete sufficient additional state agency attorney positions, other than at the University of Wisconsin System, to ensure the elimination of a total of 31.0 FTE state agency attorney positions. The additional fiscal effect of this position deletion requirement is reflected under "Administration -- Transfers to the Department."

**Senate/Legislature:** Add the Department of Employee Trust Funds and the Investment Board to the executive branch agencies that would be exempted from the attorney position deletion requirement.

**Veto by Governor [D-2]:** Delete all references to the word "attorney," so that the Secretary of DOA must eliminate 31.0 positions that are vacant as of January 2, 2004. Delete the exemption of the University of Wisconsin System, so that the only executive branch agencies that would be exempted from the position reductions are the Department of Employee Trust Funds and the Investment Board.

[Act 33 Section: 9101(9x)]

[Act 33 Vetoed Section: 9101(9x)]

**8. BILLETING SERVICES SPENDING AUTHORITY INCREASE**  
[LFB Paper 506]

PR	\$200,000
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**Governor/Legislature:** Provide increased expenditure authority of \$100,000 annually associated with operating expenses for the Wisconsin Military Academy at Fort McCoy. Base level expenditure authority is \$386,900 annually. Revenues credited to this appropriation include Academy use and training fees, armory rental fees, and the sale of surplus equipment and property. These funds may be used for facility operations, repair and maintenance. The Department estimates that revenues to this appropriation will increase from the current \$344,000 annually to \$350,500 in 2003-04 and to \$361,000 in 2004-05.

**9. REIMBURSEMENT OF CERTAIN COUNTY AND MUNICIPAL WORKER'S COMPENSATION AND LIABILITY COSTS DUE TO EMERGENCY MANAGEMENT ACTIVITIES** [LFB Paper 507]

**Governor:** Modify the source of funding for reimbursements of certain worker's compensation benefits, awards for injuries to others, and losses from the destruction of equipment incurred by a county or municipality that is engaged in emergency management activities. Specify that if the total amount of such costs and liabilities exceeds \$1 per capita for the jurisdiction's population, the state would reimburse the county or municipality from an existing Program Supplements GPR-funded sum sufficient appropriation for the payment of judgments against the state and its officers, rather than from the appropriation currently used: the Division of Emergency Government's GPR-funded sum certain general program operations appropriation. Payments from this appropriation would be made upon certification by the adjutant general, subject to the approval of the attorney general, if necessary. Modify the statutory purposes of the Program Supplements sum sufficient appropriation to authorize payments for these worker's compensation benefits and the indemnification of counties and municipalities. No funding adjustments would be made to either of these appropriations as a result of these proposed modifications.

**Joint Finance/Legislature:** Delete provision. Specify that the \$1 per capita payment by a county or a municipality would be a one-time payment for injuries incurred during the calendar year by the registered volunteer, with the state assuming all additional costs for any continuing liabilities after the first calendar year, regardless of the duration of the injury.

[Act 33 Section: 2113]

## 10. OPERATION AND RENTAL OF DISTANCE LEARNING CENTERS

**Governor/Legislature:** Direct the adjutant general to cooperate with the federal government in the operation and maintenance of distance learning centers for use by current and former members of the National Guard or armed forces. Authorize the adjutant general to rent these facilities to nonmilitary and nonfederal individuals and credit these receipts to a new PR continuing appropriation created for this purpose. Provide that the appropriation would support the operation and maintenance of the centers.

[Act 33 Sections: 561 and 739]

## 11. EMERGENCY RESPONSE TRAINING [LFB Paper 572]

SEG	- \$2,800
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**Joint Finance/Legislature:** Delete \$2,800 SEG in 2004-05 from the emergency response training appropriation funded from the environmental management account of the environmental fund. The reduction reflects a 26.5% decrease in 2004-05 to all appropriations funded from the environmental management account to bring expenditures from that account into balance with anticipated revenues. Base level funding in the Department's emergency response training biennial appropriation is \$10,500 SEG annually.

## 12. FEDERAL HOMELAND SECURITY FUNDING [LFB Paper 121]

**Joint Finance/Legislature:** Provide that the Department's Division of Emergency Management rather than DOA's Office of Justice Assistance (OJA), as recommended by the Governor, would apply for contracts and receive and expend federal funds related to homeland security. Create a continuing federal appropriation under DMA rather than under OJA, as recommended by the Governor, for the receipt and expenditure of these federal funds. Authorize the Adjutant General to administer federal homeland security funds. Prohibit the Governor from authorizing the expenditure of federal funds for homeland security unless the Joint Committee on Finance first approves the Governor's expenditure plan under a 14-day passive review process. (For information on the Governor's original recommendation on federal homeland security funding, see "Administration -- Office of Justice Assistance.")

**Veto by Governor [C-33]:** Delete provision. The Governor's veto states that OJA has instead been designated as the lead agency to administer these funds.

[Act 33 Vetoed Sections: 286 (as it relates to s. 20.465(3)(mg)), 562m, 2111g, and 2111j]